

**Council Meeting**  
**August 14, 2017**  
**7:00 p.m.**

The council meeting of Mayor and Council was held on the above date and time with Council members DeBenedictis, Carrow, Smith, and Dias present with Mayor Letterman presiding. Town Foreman Jeff Hurlock, Recording Secretary Sue Muncey, Police Chief Brian Hill, Town Solicitor Scott Chambers, Harry Papaleo, and Marvin Pedigo were also in attendance.

1. **Call to Order** - Mr. Letterman called the meeting to order at 7:00 p.m.
2. **Pledge to the Flag** – Mr. Hill led the Pledge of Allegiance.
3. **Approval of Minutes** –

*Ms. DeBenedictis made a motion to approve the Budget Committee Meeting minutes of July 6, 2017, the Town Council Meeting minutes of July 10, 2017, the Electric Committee Meeting of July 17, 2017, the Street Committee Meeting of July 18, 2017, the Personnel Committee Meeting of July 20, 2017 and the Personnel Committee Meeting of August 7, 2017 in written form. Mr. Smith seconded the motion. Motion carried unanimously.*

4. **Approval of Income and Expense Report** –

*Mr. Dias made a motion to approve the Income and Expense Report. Ms. DeBenedictis seconded the motion. Motion carried unanimously.*

5. **Communications** – Mr. Letterman stated there is a back to school breakfast on August 23 at 7:30 a.m.
6. **Report of the Chief of Police** – Mr. Hill stated the monthly report was handed out. He had no report.
7. **Report of the Town Foreman** – Mr. Hurlock stated Public Works is moving into the new location. The sign has been ordered. The automatic gates and truck lifts have been installed. We will start moving tools. We should be moved in by the end of next month. We have overhead door work to do. Mr. Letterman asked how many truck lifts there are? Mr. Hurlock stated we moved both of them. Mr. Letterman asked who owns the tools – employees or town. Mr. Hurlock stated 90% of the tools are owned by the town. The mechanical might have a few there. The only employee who would have tools there would be Roland. Mr. Hurlock stated he would check. Mr. Carrow asked if we needed to get phones and desks. Mr. Hurlock stated we need to get an alarm system – fire alarm. We need to get the cable (Xfinity) hooked up. Mr. Carrow asked if the town is still using the firehouse as a backup. Mr. Hurlock stated the building is customer friendly and can be used if the town hall goes down. The firehouse is only temporary.

Mr. Letterman asked about the sign placement. Mr. Hurlock stated to the left of the door on Bassett Street.

**8. Report of the Town Solicitor** – Mr. Chambers had no report.

**9. Report from Inspections/Enforcement** – Mr. Hurlock stated we will have the first reading to bring the building and property maintenance codes up to 2012. We are currently working off of 2003 – 2006. The first reading will be at the September council meeting. Nine to ten new homes are currently under construction. This is what we had in 2006. We currently have Ovations, Old Country Farm, Providence Crossing, and Huntington Mills on the books. We will not run out anytime soon. Mr. Carrow asked if our contractor can handle the work load. Mr. Hurlock stated yes.

**10. Reports from Members of Council**

**a. Report from Electric Committee** – Ms. DeBenedictis had no report. Mr. Hurlock stated we had no trouble this year with the heat. Last year we were blowing fuses.

**b. Report from Street Committee** – Mr. Smith had no report. Mr. Hurlock stated the projects are done. The firehouse goes through our books. They are working on street lighting. There is no time line on the funding. Mr. Letterman stated a street committee meeting needs to be set up to determine the next streets to be paved. We will do this until we run out of money. We need to prioritize.

**c. Report from Water & Sewer Committee** – Mr. Dias had no report. Mr. Hurlock stated there was a major water leak on Main Street. This stemmed from a problem 22 years ago. The third line was leaking. We put a new line in. There were many buildings there at one time, and when they were abandoned it was shut off at the curb. Mr. Letterman asked if paving was going to be done in the area that was worked on. Mr. Hurlock stated yes.

**d. Report from Equipment Committee** – Mr. Smith had no report.

**e. Report from Personnel Committee** – Mr. Carrow stated a code enforcement officer has been hired. His name is Tom Ford. He is a retired state trooper. He brings a wealth of experience to the job. Mr. Letterman asked if he was part time. Mr. Carrow stated roughly 20 hours per week. Jeff is to set the schedule.

**f. Report from Police Committee** – Mr. Dias had no report.

**g. Report from Budget Committee** – Mr. Smith had no report.

**h. Report from Economic Development Committee** – Mr. Carrow had no report. Mr. Letterman asked about the progress of the grant. Mr. Carrow stated school is out right now. They will start in the fall. They received money from Wal-Mart. It is not as much as they hoped, but it is a start. Mr. Letterman stated this will be coordinated with Jeff. Mr. Carrow stated he wants to secure the benches. He will coordinate with Jeff.

- i. **Report from DEMEC** – Ms. DeBenedictis stated the annual meeting is in September. The monthly meeting is tomorrow, August 15.
- j. **Report from Board of Adjustments** – Mr. Hurlock had no report.
- k. **Report from Planning & Zoning Committee** – Mr. Hurlock stated a meeting is scheduled for August 23 to review the final draft of the comp plan. The 4<sup>th</sup> Wednesday in September a meeting will be held to discuss Ovations. A new application has been made. They need full plans approved. They are going back to conventional single-family dwellings (200+ homes). The sewer is reserved for this project.
- l. **Appeals Board** – Mr. Hurlock had no report.

**11. Unfinished Business** – No Business

**12. New Business** –

- a. Harry Papaleo from Papaleo, Rosen & Chelf came to report on the 2016 financials. He apologized for the late notice in getting the reports emailed over. He thought they were already sent. For the past three to four years we have been able to get this report to you in March, but due to GASB-45 this has changed. We had to wait until the State of Delaware has the pension report posted. The State's fiscal year ends June 30. This is new for this year. It includes an unfunded pension amount on the report. The only option I have would be to give an adverse option for the report. I do not expect this to change. I would not recommend this. It is Council's call as to what to do. We have had our part done since February, but we have to wait until the State posted their report. Page 3 – Management Discussion and Analysis – this is a synopsis of the report. This tells everything in a nutshell. On 12/31/16 the assets exceeded the liabilities by \$7.2 million. Of this amount, \$522 thousand may be used to meet the Town's ongoing obligations to its citizens and creditors. The Town's total net position increased by \$530 thousand. The current year increase in the Town's net position is due primarily to an increase in the electric fund charges. Also, property tax rates increased from \$0.65 per \$100 of assessed value to \$0.75 per \$100 of assessed value during 2016. The Town has less than \$600 thousand in long-term debt. Mr. Letterman stated the biggest part is the arsenic loan. Mr. Papaleo stated the Town is run fiscally sound and responsible. On page 10 is the Balance Statement. Total current assets for 2016 are under \$5 million. Liabilities are less than \$1 million. On page 17 is the Income Statement of Proprietary Funds. In 2016 it increased to \$3.8 million from \$3.5 million in 2015. Expenses were \$2.8 million in 2016 and \$2.7 million in 2015. This is right in line. The transfers out are governmental funds. The Management Letter will come out shortly. Milliman recommends the Town contribute \$80,000 yearly to the post-employment retirement account. Currently you contribute \$20,000. Mr. Letterman stated we had money in the fund already before GASB-45 came into play. In the past recommendations were given to us. Do you have any this year? Mr. Papaleo discussed missing receipts. This year it is limited. Mr. Letterman stated he didn't see anything. Mr. Papaleo said he was open to questions. If

you have any later on, you can call or email me. Sue has my information. Sue will give out the auditor's information to Council.

- b. First Reading – Town Ordinance Change (Section 1.2-2.6 and Section 1.2-3.2(5)) – Ms. DeBenedictis read this in its entirety.
- c. Mr. Letterman stated items C – F were removed from the agenda. These were approved when the meeting minutes were approved.

**13. Public Forum –**

- a. Mr. Pedigo stated he has seen town forces pulling trucks over.

**14. Adjournment**

*Mr. Carrow made a motion to adjourn the meeting. Mr. Dias seconded the motion. Motion carried unanimously. Meeting was adjourned at 7:38 p.m.*

Recording Secretary,

Sue Muncey